

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 842 - SB 830

March 16, 2017

SUMMARY OF BILL: Requires the Commissioner of the Department of Commerce and Insurance (DCI), on or before July 1, 2017, to establish by rule requirements for minimum essential benefits for health insurance coverage, as defined by Tenn. Code Ann. § 56-7-2802, offered by a health insurance issuer, defined by Tenn. Code Ann. § 56-7-2802.

Requires the minimum essential benefits to be no less extensive than those benefits set for health insurance coverage in this state under the Patient Protection and Affordable Care Act (PPACA), Pub. L. No. 111-148, and the federal rules implementing PPACA that were in effect on December 1, 2016. Requires minimum essential benefits to include 13 different services. The proposed legislation takes effect upon becoming law and will apply to policies or contracts entered into, renewed, amended, or delivered in this state on or after July 1, 2017.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Due to multiple unknown factors, the impact of the proposed legislation on state and local revenue and expenditures cannot be determined with reasonable certainty.

Assumptions:

- Based on information provided by the Bureau of TennCare, a fiscal impact cannot be quantified because it is unknown what rules will be established by the Department of Commerce and Insurance (DCI) relative to the definition of “medical essential benefits.”
- The Department of Finance and Administration cannot quantify a cost without knowing what rules will apply to the definition of “medical essential benefits.”
- Based on information provided by the DCI, the Department will need to promulgate emergency rules in order to comply with the proposed legislation; however, DCI can accommodate rulemaking and enforcing the provisions of the proposed legislation within existing resources without an increased appropriation or reduced reversion.

IMPACT TO COMMERCE:

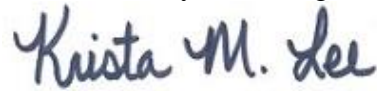
Other Commerce Impact – Due to multiple unknown factors, the impact of the proposed legislation on commerce and jobs in Tennessee cannot be determined with reasonable certainty.

Assumption:

- The impact to commerce and jobs in Tennessee cannot be determined due to any such impacts being dependent upon multiple unknown variables.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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